Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUENOS 07211 022003Z

71
ACTION ARA-20

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PM-07 H-03 L-03

NSC-10 PA-03 PRS-01 SS-15 USIA-15 ACDA-19 IO-15 STR-08

INT-08 SCEM-02 DRC-01 /207 W
---------- 125774
R 021931Z SEP 73
FM AMEMBASSY BUENOS AIRES
TO USDOC WASHDC
INFO SECSTATE WASHDC 3786
AMEMBASSY ASUNCION
AMEMBASSY BRASILIA

LIMITED OFFICIAL USE BUENOS AIRES 7211

E.O. 11652: N/A
TAGS: PFOR, ENGRG, OGEN, PA, AR, BR
SUBJECT: YACYRETA-APIPE AND CORPUS HYDROELECTRIC PROJECTS,
THE ARGENTINE POINT OF VIEW

REF: A. ASUNCION 3636, B. BA A-250, C. BA A-461 18 SEP 72,
D. BA 7161

1. LOCAL PRESS REPORTS THAT ARGENTINE/PARAGUAYAN AGREEMENT ON YACYRETA-APIPE HYDROELECTIC PROJECT ON THE PARANA RIVER WILL BE SIGNED PRIOR TO OCT 12TH.

2. EMBASSY ESTIMATES THAT CALL FOR BIDS ON DESIGN STATE WILL BE MADE SHORTLY THEREAFTER WITH CONSTRUCTION TO BEGIN POSSIBLY IN 1975. TOTAL COST OF THE PROJECT IS ESTIMATED AT APPROXIMATELY US$1,200,000,000, AND IT WILL HAVE AN ENERGY PRODUCTION CAPACITY OF APPROXIMATELY 2,100 MW. EMBASSY WILL PROVIDE DETAILED TRADE OPPORTUNITY AS SOON AS CALL FOR BIDS MADE.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUENOS 07211 022003Z

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

3. COMMENT. ARGENTINE OFFICIALS WITH WHOM EMBOFFS HAVE SPOKEN SEEM PLEASED WITH PROGRESS ON THE AGREEMENT, AND WITH THE ACCOMPANYING DEADLINE FOR TENDERS FOR THE FEASIBILITY STUDY OF THE CORPUS HYDROELECTRIC PROJECT UP THE PARANA FROM YACYRETA-APIPE (SEE BUENOS AIRES 6902).

4. GOA OFFICIALS AT THE NATIONAL (ARGENTINE) CUENCA DEL PLATA COMMISSION HAVE TOLD EMBOFFS THAT THEIR OWN PREFESIBILITY WORK ON CORPUS INDICATES THAT THE BRAZILIANS AND PARAGUAYANS WILL HAVE TO SACRIFICE SOME OF THE HEAD AND RESULTING ELECTRIC ENERGY CAPACITY OF ITAIPU IF CORPUS IS TO BE FEASIBLE. IT IS THEIR HOPE THAT THEY CAN PERSUADE THE PARAGUAYANS AND BRAZILIANS TO MAKE THIS SACRIFICE ON THE BASIS THAT THE COMBINED ENERGY CAPACITY OF ITAIPU AND CORPUS WOULD BE SUCH THAT WHEN SHARED IT WILL RESULT IN SIGNIFICIANTLY GREATER AVAILABILITIES OF ENERGY FOR ALL AT A MUCH REDUCED COST. THE ARGENTINE'S TUDIES TELL THEM THAT THE COMBINED COST OF CORPUS AND A MODIFIED ITAIPU PROJECT WOULD BE APPROXIMATELY 30 PERCENT MORE BUT WOULD YIELD ABOUT 60 PERCENT MORE ENERGY THAN THE LATTER PROJECT ALONE, AS IT NOW IS PLANNED. THESE FACTS DO NOT APPEAR TO BE DISPUTED BY ANY OF THE PARTIES.

5. THE ARGENTINES MAINTAIN THAT CORPUS WOULD HAVE NO EFFECT ON YACYRETA-APIPE. HOWEVER, THEY ADMIT THAT, AT AMINIMUM, OUTPUT OF THE PARAGUAYAN HYDROELECTRIC FACILITY ON THE ACARAY RIVER, A TRIBUTARY OF THE PARANA, WOULD BE REDUCED BY THE CORPUS PROJECT; BUT GOA OFFICIALS PERCEIVE NO PROBLEM IN ERSUADING THE PARAGUAYANS THAT THE INCREMENTAL OUTPUT TO BE OBTAINED BY CORPUS IS WORTH THE REDUCTION IN EFFICIENCY OF THE ACARAY FACILITY.

6. THE GOA STRATEGY APPEARS TO BE TO PUSH THE CORPUS PROJECT ALONG AS QUICKLY AS POSSIBLE BEFORE DESIGN PLANS FOR ITAIPU ARE FINALIZED AND THE POSSIBILITY OF BUILDING CORPUS COMPROMISED. IT WOULD APPEAR THAT THEY HOPE TO USE THE PARAGUAYAN INTEREST IN CORPUS AS LEVERAGE TO OBTAIN THE MODIFICATION OF DESIGN FOR ITAIPU, WHETHER THIS IS A REALISTIC PROSPECT OR NOT.

7. FOR STATE, ASUNCION AND BRASILIA ONLY: AMEND TEXT TO LAST SENTENCE OF PARA 4 OF BUENOS AIRES 7161 (REF D) TO READ:
QUOTE THE ARGENTINE'S STUDIES TELL THEM THAT THE COMBINED COST OF CORPUS AND A MOIDFIED ITAIPU PROJECT WOULD BE APPROXIMATELY 30
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PERCENT MORE BUT WOULD YIELD ABOUT 60 PERCENT MORE ENERGY THAN THE LATTER PROJECT ALONE, AS IT IS NOW PLANNED. UNQUOTE
LODGE

LIMITED OFFICIAL USE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

NNN

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 02 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BUENOS07211
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730958/aaaabqid.tel
Line Count: 110
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. ASUNCION 3636, B. BA A-250, C. BA
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 15 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15-Jan-2002 by martinjw>; APPROVED <06-Feb-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: YACYRETA-APIPE AND CORPUS HYDROELECTRIC PROJECTS, THE ARGENTINE POINT OF VIEW
TAGS: PFOR, ENRG, OGEN, PA, AR, BR
To: COM
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005